

177/35 120
Dep

AN ADDRESS ON THE TARIFF

DELIVERED IN LEWISTON, ME.,

IN REPLY TO THE HON. J. G. BLAINE,

BY

HON. E. F. PILLSBURY,

WITH A PREFACE BY

E. J. DONNELL.

PREFACE.

1. The following address I found in the Free Trade newspaper, *The Million*. It pleased me more than I can express. I immediately wrote to Mr. Pillsbury for permission to have it published, with a preface, in pamphlet form, which he very courteously and readily granted.

2. The whole address is admirable for clearness and force; but the two points that make it pre-eminently valuable for circulation among the masses of the people are, first: the testimony of Mr. Blaine to the fact that in one great branch of industry at least, American labor is cheaper than English labor; second: the object lesson by which Mr. Pillsbury demonstrates that our manufacturing industry increased much more rapidly under our lowest than under our highest tariff.

3. As a practical economic question these two points cover substantially all the issues of the struggle for Tariff Reform.

4. It is not a doctrinal question at all as between Free Trade and Protection, Honest Protection and Practical

Free Trade have no quarrel here. It will be found that, in the patriotic work of promoting the general well being of the masses of the people, both employers and employes, though Free Trade and Protection may not always run in parallel lines, they will arrive substantially at the same goal.

5. Mr. Blaine's testimony on the wages question is of great value. There is good reason for believing that he did not understand the real bearing of the facts to which he testifies, on the tariff controversy; for it is morally certain that, immediately after Garfield's election, he formed his plan of reaching the presidency by exploiting the prejudice that he supposed existed among the masses in favor of "Protection."

6. He was not long in the dark as to the bearing of his official testimony on the wages question. His protectionist friends became much excited about it, and they remonstrated against such reports by consuls and their publication by the government. If my memory serves me, the offence was not repeated until after the Democratic party came into power.

7. Mr. Blaine has really done more for Tariff Reform in the last few years than any other man in the United States. He has forced the issue, and his statements, whether of history or of facts, are almost invariably wrong. His greatest misstatements consist of half truths that could only be exposed by obtaining a knowledge of the whole. This has been educating the people and the politicians on the tariff question to an extent not known before in forty years.

8. Before leaving the wages question I will state the true law of wages, which is slowly but surely making its way into Economic Science.

9. Wherever the natural standard of daily wages is highest there the cost of labor is lowest. This is true of all countries. Of course it cannot be true of artificial industries supported at the expense of the people. These have a tendency to lower the general standard of wages,

337.2

P646a 3

11 Apr 29
 A Mon. or to retard the natural tendency of wages to advance as the productive power of industry increases in all advancing industrial communities. Wages are high or low in proportion as labor is more or less productive, provided there is no form or degree of monopoly in the materials or implements used in the work of production.

10. The reasons why labor is more productive in the United States than in Europe are many. We have more of the raw materials and instruments of industry than any other nation. We have mingled in the American race the best blood of the most virile and intellectual races of Europe, and consequently of the world. We have an atmosphere which thrills the nerves and stimulates the brain to a degree unknown elsewhere. We have the stimulus of free competition in society, in politics, and in interior commerce; in everything but foreign commerce, and, (as I will show before I close) in interior industry, owing to tariff monopolies.

In my investigations on this subject I have encountered at every step this truth, which I will condense into a sentence.

11. Of the united product of capital and labor, the percentage paid in the form of wages in this country is smaller than in any country in Europe.

12. The natural standard of daily wages is high because profits are high; and profits are high because the product of labor is high.

13. The other point which Mr. Pillsbury has presented in such a strong light is, that our manufacturing industry has progressed most rapidly under our lowest tariff.

14. That this must be so and cannot be otherwise, is obvious when we consider the nature of our present tariff system.

15. Our tariff, unlike any other tariff in the civilized world, is based entirely on monopolies in raw materials. The effect of these monopolies is to raise the cost of production so as to make exports impossible, unless nine-tenths of the value of the commodity consists in labor.

At the same time they advance prices in the home market to such an extent as make this still one of the best markets in the world for the foreign producer.

16. When the home demand is supplied our manufacturers reduce production and discharge their employes. The average of full employment does not exceed eight months in the year, one year with another, taking the average of ten years. If we consider the deterioration of plant when idle, and the difficulty and expense of forcing sales on glutted markets, I think it will be generally admitted that the manufacturing capitalist would do much better working twelve months and selling his product at 5 per cent. profit, than he would working eight months at 10 per cent.

17. As to the employes it would be altogether to their advantage, without any drawback whatever. Besides, with commodities selling at their natural value and the masses of the people constantly employed there would be an immense increase in consumption.

18. Is it any wonder that the progress of our manufacturing industry is retarded by our present tariff?

19. I know our protectionist *philosophers* have been telling us for twenty years that the cost of production would soon be reduced under the *fostering* system, so that we would naturally and easily enter into competition with other nations in the open markets of the world.

20. An accurate knowledge of human nature, and of the nature of monopolies as shown in history, will convince any intelligent man that this can only be brought about, either by the legal abolition of the monopolies, or by such intense suffering and utter prostration of industry as will destroy them.

So much for the Economical aspect of the monopoly system.

21. I will now consider another aspect of the system of incomparably more importance at the present time.

22. I have long been convinced that this system of legislation, which has been pursued by our government

for the last twenty-five years, was sapping the foundations of free government in this country. It is now bearing its ripe fruit, which is worse than Dead Sea apples.

23. It is notorious that the iron monopoly stands at the head of all the monopolies. It marshalls them all in battle array and drills them like an army. Any combination or corporation that wishes to obtain legislation in its favor, or to prevent threatened legislation against it, bargains with the iron monopoly for mutual support.

24. The people have been demanding land and railroad legislation for fifteen years. In endeavoring to respond to this demand the action of Congress has been paralyzed at every step. People have wondered and wondered why nothing has been done. Congress has been like a ship stranded on an invisible sand bank. The people demand a reduction of taxes, but the ship does not move; but when a new burden is proposed, such as additional appropriations or subsidies to shipping, immediately the sails begin to flutter and the ship moves, not forward but backward. There is an iron giant in command and a majority of the crew obey without question.

25. In the meantime millionaires increase in wealth and in numbers.

26. There are three departments in which are produced these very rich. First, in tariff monopolies in raw materials, in iron, steel, copper, &c. Second, in speculative railroad management and railroad building in connection with land grants. Third, in what is known as special rates of freight granted to large shippers on the railroads, through which large dealers are enabled to monopolize the trade to the exclusion of small dealers. This was the foundation and main support of the Standard Oil Company. It has lined all the main lines of railroads between the Atlantic and the Pacific, in every city and town, with rich monopolists who are all zealous supporters of tariff monopolies

27. Is it any wonder that European socialism has at last found a congenial atmosphere in this country? For

the first time in our history it is more successful here than in Europe. Though land may be had still for the asking, yet land confiscation is discussed and advocated seriously by honest men.

28. It is not sympathy with the poor that causes this. The man who thinks so knows little of human nature. By far the most potent cause is the extraordinary spectacle of this unnatural concentration of great wealth in a few hands in a republican democracy. The masses of the people feel and know that there is something wrong. As usual with the masses, they are ignorant of the real cause and strike out wildly in the wrong direction.

29. The agriculturists have so long patiently submitted to be robbed by the tariff monopolies that it is now proposed to confiscate their lands.

There is really nothing surprising in this. It is the people who submit tamely to wrong, that invite wrong. In the meantime, so formidable and aggressive are the metal, coal and timber monopolists, that nobody so much as proposes to withdraw the legal support of their monopolies. Even Henry George, who knows perfectly well the nature and character of the vermin that are eating up our substance, proposes deliberately *to burn down the barn in order to destroy the rats.*

30. Does anybody doubt the close union between the tariff monopolies and the other monopolies? The man must be very simple who doubts it. They are all engaged in a work that can only succeed through union and co-operation. Their business is to obtain by law or by preventing legislation, what would not otherwise belong to them. Some years ago, when the first attempt was made to reduce the enormous duty on steel rails, a remonstrance against it was signed by all the leading railroad monopolists. The American people have a great reputation for smartness. How is it that they did not seem to suspect the real meaning of that remonstrance?

31. It is now admitted on all hands that we must have a reduction of the revenue. All sorts of devices will be

employed to reduce the revenues without touching the monopolies. There will be no lack of money and no scruples as to the method of using it. We have seen in the last election what money can do. Through a blunder in the management, it, in part, and only a small part of it, became known to the public. Hereafter the old system will be followed. The work will be done underground. The next presidential election will probably be the most important ever known in this country. It will array the whole power of monopolist wealth banded together, most probably against a divided people. A victory of the monopolists would be a sad disaster for the country, but it would be fatal for them.

32. Superficial people have been disposed to regard these men with envy and emulation. They seemed like diamonds shining on the necklace of the Republic. In truth they are blood spots that tell of crimes in the past, and presage a terrible retribution in the future.

E. J. DONNELL.

A REPLY

TO THE TARIFF ARGUMENTS OF MR. BLAINE, BY HON. E. F.
PILLSBURY, OF BOSTON.

The following is an address of Mr. Pillsbury, delivered at Lewiston, Me., in reply to Mr. Blaine's arguments in favor of a protective tariff:

MR. PRESIDENT, LADIES AND GENTLEMEN of Lewiston: I thank you sincerely for your very kind reception. I always feel at home with the democracy of Lewiston and I am glad to be with you once again.

I propose to confine my remarks to one subject. Our opponents seem to think and to claim that upon the question of the tariff their position is impregnable and that James G. Blaine is their Goliath in its defence. I propose therefore, to call your attention to that subject.

The tariff is, in fact, a tax, but they never speak of it as such. They never call it taxation, it is always protection. There is so much difference, you know, in the expression. Protection! What happy thoughts cluster around the term! But taxation is burdensome. It is taxation however—nothing else.

First, let me ask, What is protection? Can anybody tell me? Why, it is an indefinable, impalpable something. You can't touch it; you cannot weigh it; you cannot measure it. It is colorless, it is odorless, but it is the most expansive thing in existence. Its advocates can stretch it over everything on earth beneath or above it or in the seas, and they can give it a power more magical than ever existed in Aladdin's lamp. Why, they can build cities with protection, build roads and develop the industries of a country to a wonderful extent—and yet it is so sensitive and frail that at a little democratic talk about reducing its basis of taxation it wilts and shrivels up like a pumpkin vine among the frosts of autumn.

Our opponents, including Mr. Blaine, begin to discuss this question by assailing the Democratic party. They always say the Democrats want to destroy the industries of the country; that we want to paralyze the manufacturing interests and sweep away the prosperity of our land. Where did they get this exclusive interest in the welfare of our nation? Do not we Democrats have the same interest in it? Do not we suffer when our country suffers? Do not we prosper when it prospers as much as they do? Is it not for our interest and our children's interest as well as theirs to have our industries flourish? They thus assail us and then go to work and place us on a false platform. They build one to suit themselves, place us on it and go to work and tear it down as valorously as Don Quixote did the windmills.

THE DEMOCRATIC PARTY AND THE TARIFF.

They insist upon calling the Democratic party a free trade party, but it never was a free trade party. During all the time it controlled this country it never gave you free trade for one hour. It has never declared itself for free trade.

Under existing conditions free trade is not possible and we do not advocate it. But we do ask that the burdens of taxation may be lightened. The real difference between our position and theirs is this: We believe that taxation is a burden and that it should be limited to the necessities of the government, economically and honestly administered. They believe that taxation is a blessing; that the way to make the people prosperous is to tax them, and the more you tax them the better they prosper. According to Mr. Blaine, the way to enable your people to put money in the savings banks is to tax them.

He says that when the Republican party came into power in 1861, we had had nearly a generation of free trade. Now the facts are that during the forty years preceding 1861, the average duties were 30½ per cent.—more than three-fifths of what they are to-day. And yet he

says it was free trade ! I would like to have Mr. Blaine answer this conundrum. If $30\frac{1}{2}$ per cent. of duties is free trade, what would no per cent. be ?

In 1830 the duties were higher by 3-10ths of one per cent. than at any other time in the history of the country. In 1861 they had gone down to 18 per cent. and a fraction.

The last tariff law enacted prior to 1861 provided for a gradual reduction of taxes. Under its operation revenues enough were collected to carry on the government properly ; manufacturers had the benefit of the incidental protection it afforded and instead of being destroyed they prospered. But Mr. Blaine calls that a free trade generation and this a protection era, and then attributes all the growth of the country and its prosperity to the increased protection which has been given you by the Republican party.

SURPLUS OF \$100,000,000.

The present tariff, on which the protectionists base their claims, is a war tariff. It was avowedly adopted for war purposes, and notwithstanding the war ended more than twenty years ago the rates are still kept up, though producing one hundred millions a year more than the legitimate expenses of the government require. Tariff reformers say, cut down the taxes and leave this one hundred millions in the pockets of the people where it belongs ; our opponents say, keep up the taxes for the sake of the protection they afford. They insist upon the continued levying of the taxes but differ as to the disposition to be made of them, evidently regarding the collection as more important than the mode of expenditure. Some favor an almost unlimited erection of public buildings in the congressional districts whereby each Congressman can be made solid with his constituents. Another class say use it for the improvement of rivers and harbors, trout streams and duck ponds. Mr. Blaine says, use it to pay the local taxes, i. e., your state, county and city taxes.

A PER CAPITA TAX.

These taxes are now paid upon consumption ; a man does not pay according to what he is worth, but according to what he consumes. It is virtually a tax per capita. The poor man pays nearly if not quite as much as the rich man. Take the internal revenue tax which Mr. Blaine designates as the particular tax which should be turned over to pay state, county and city taxes. I cannot see what odds it makes whether you take that out of the public treasury from the money that comes from the internal revenue or custom duties. It will reduce it just so much without regard to where it came from. Take the internal revenue tax. There is 90 cents per gallon on distilled spirits of all kinds. It is just as much on the tangle foot as on the highest priced brandy, just as much upon the poor cigar as upon the costliest, on the poor tobacco as on the good. Take the Bates Mill Corporation in this city, I don't know how many employes they have, perhaps 1500. Now how much more of that tax on tobacco does each of the owners of the Bates mill pay than a single employe under them ? The employe smokes his cigars and chews his tobacco, and probably pays as much of that tax as the richest owner in the corporation.

The customs and internal revenue taxes are gathered at the mouths and from the backs of the masses. Mr. Blaine says keep on collecting the unnecessary one hundred millions, make them pay and then use the surplus to pay the local taxes. How are they paid now ? Why they are the only taxes paid on property. Your state, county and city taxes are assessed by your assessors upon a man's property and the millionaire has a pretty big tax to pay. Mr. Blaine says, instead of taking this off the masses, keep it on, make them pay it and relieve these poor suffering millionaires by paying their taxes for them, (laughter and applause.)

DEPOSITS IN SAVINGS BANKS.

But Mr. Blaine's strong argument, which he presented as being an unanswerable one, is the savings bank record. He says that in a certain number of States in 1861 there were only \$160,000,000 in the savings banks, while now there are \$1,020,000,000—and that it is all due to protection. Now that argument reminds me of one made to me when I was a boy living on a farm in the Northern part of the State. I remember we had a period of potato rot. The potatoes rotted badly and it was a great calamity. Well, one of our neighbors had a great antipathy to temperance societies. I called at his house one night. He had been at the village and was feeling pretty good. He said, "Eb, did you know this potato rot was all due to those damned temperance societies?" I said, no, I was not aware of it. "Well," said he "it is, and I can prove it! Twenty years ago we didn't have temperance societies anywhere, did we?" "No." "We did not have any potato rot anywhere?" "No." "Now we have temperance societies everywhere, and the potatoes rot everywhere, do you see?" (laughter.)

So Blaine says: "Twenty-five years ago we had free trade. We only had \$160,000,000 in the savings banks. Since that we have had high protection and we have more than a thousand millions in these institutions. Protection, do you see!" By that method of reasoning you can use almost any fact in support of any hobby you please. Why could not General Neal Dow argue with equal propriety, that this increase of deposits in Maine is due to the salutary effect of your prohibitory laws. Let us examine this matter of deposits in savings banks a little. As I have said, protection is an indefinable, impalpable something, immeasurable in its velocity and strength, but Mr. Blaine seems to have discovered a wonderful way of measuring its power which he ought to patent. He has only to look at the condition of the savings bank deposits at any given time to tell just what degree of force this great power was exerting at that date.

When I read of this great discovery the first thing I did was to test it by running back over the record. In 1830 the duties on imports averaged 48.8-10 per cent. The highest since 1860 was 48 3-10 per cent. From 1827 to 1831, inclusive, the average was 42 9-10.

Now, said I, relying on Mr. Blaine's great economic discovery, I shall find a big savings bank deposit at that time. But I didn't find it. It wasn't there. Perhaps protection refused to give down because the Democrats were in power just as a cow sometimes refuses to give down her milk when she don't like her milker (laughter.) At any any rate, it didn't prove.

What are the facts about these savings banks? Why, when they were created and down to a comparatively recent period they were what their name indicated, savings institutions. They were for the savings of the poor; the deposits were small because they came from the poorer classes of the people. I remember, and so do you, that 25 years ago you could hardly go into a school district without finding men who loaned money and took mortgages. It is different now. They went to work and passed a law exempting deposits in the savings banks from taxation. This had a great tendency to induce people to put their money in these institutions so as to save the taxes. The result has been that capitalists have deposited their money in the savings banks and they have become in fact institutions for investment. Your wealthy men, your capitalists, put their money into the savings banks and they invested it in Western enterprises, bonds, etc., and got large rates of interest, and it paid so well that capital was rushing into these institutions to that extent that small depositors were being driven out, for, of course, the bank officers would rather take \$10,000 from one man than \$10 from a thousand. Finally that evil was growing so great that in 1876 Massachusetts passed a law prohibiting the depositing of more than \$1,000 by any person, and in 1877 the State of Maine passed a law prohibiting the depositing of more than \$2,000. If it is not as I say, that the capitalists were

rushing their money into these institutions, why were these laws passed? What is the effect? If the capitalist want to put in \$10,000, he puts in \$1,000 for himself and \$1,000 each in the names of his wife, his sisters, his cousins and his aunts; and it enables Mr. Blaine to say that this comes from the wage workers because there are so many of them, and the amount so limited.

TEN BILLION DOLLARS PAID THE PEOPLE.

There is another fact which I had supposed contributed to the growth of deposits in the savings banks. This government has paid to this people since 1860 more money than any other government on earth ever paid its people in the same length of time. During the war and since they paid out for bounties and wages for soldiers, for supplies for the army, for horses, for beef, for hay, for oats, for everything, enormous sums of money. Why, from that time down to the close of the last year, they paid out to the people more than ten and a third billions of dollars, right from the government to the people through these various channels, the interest upon the public debt, pensions, salaries, and for the expenditures of the war. I had supposed that our people had been provident enough and prudent enough to save a large proportion of this vast amount and to deposit it in the savings banks. According to Mr. Blaine it is not so. They spent it all; squandered it, and this indefinable, impalpable something called protection stepped in and filled the banks for them!

STEEL RAILS.

Mr. Blaine cites another proof of the wonders of protection. It is in relation to steel rails for railroads. He says they levied a tax of \$32 a ton and under the wonderful stimulus of protection they have gone down in price to some \$17 or \$18 a ton. Now, the facts are, in brief, that inventive genius has succeeded in accomplishing the feat of making steel out of iron, so that they now make steel rails just about as cheap as they can iron.

'They have improved their methods in doing the work also, so that they can now handle 100 tons in one melting where formerly they could not handle over eight or ten. And these improvements are not confined to this country but have been developed in all countries where steel rails are manufactured. It is the result of inventive genius in the multiplication of labor-saving machinery. It is all due, Mr. Blaine says, to protection. But when you cite him to the fact that to-day the market is glutted with steel rails, that local competition has carried the price down so low that the business cannot be profitably carried on, he says that is all due to Democratic talk in Congress, (laughter).

LEWISTON'S MILLS UNDER FREE TRADE AND PROTECTION.

He cited you here to your city of Lewiston. He enlarged upon the great advantages to the farmers surrounding you and your merchants, in consequence of building up this manufacturing city. Well, now, in the first place, my friends, when was this manufacturing city of Lewiston planted? When were these corporations established and these mills built, and this great industry put in operation? Why, it was during the period that Mr. Blaine characterizes as the generation of free trade! The Bates mill was incorporated in 1852, the Androscoggin in 1860, the Hill in 1850, the Lincoln in 1854, and the Lewiston in 1850. All of these corporations were established, the mills built and manufacturing operations carried on successfully and profitably long before this republican party came into power. (Applause.) I understand while some additions have been made, that in the main the cotton manufactories of Lewiston are substantially to-day as they were when they built them. I understand further, that notwithstanding you have had twenty-five years of republican rule and this wonderful protection with its magic power, that the Lincoln mill has been shut down two or three years, (Applause) the Lewiston mill has failed, (laughter and applause) the Continental runs on half time,

and the Bates mill has cut down wages again and again—protection in full blast. (Loud and prolonged laughter and applause.) The Barker mill in Auburn cut its stock down at one time from 100 to 10 per cent., and that was during the wonderful reign of high protection.

What has done it, Dr. Gracelon, have you been doing anything to them? (laughter.) What power has laid its hand on these mills to shut them down against this giant power of protection? Democratic talk in Congress. (Loud laughter and applause.)

NEW ENGLAND MILL TOWNS UNDER LOW TARIFF AND PROTECTION.

As I have spoken about the foundation of these Lewiston industries I will speak of some others. The Augusta water power was utilized prior to 1860. One cotton factory was built before and one since. In Biddeford the Pepperill mills were established in 1850, and the Laconia in 1845, together making 165,000 spindles. The city of Lawrence now has eight corporations, six of which were established under democratic rule and two under republican. They have the Atlantic mill, started in 1846, the Lawrence Duck Co., in 1853, the Pacific, 1858, Washington mills, 1858, Everett, 1860, and Pemberton, 1860. Since then the Lawrence Woolen and the Arlington. The capital put into the first six was \$7,200,000, and the last two \$399,000. Number of looms before, 8254, since, 370. So you see that this great manufacturing city of Lawrence was founded successfully and was running a career of prosperity long before Mr. Blaine's party took control of this country. It is the same in Lowell, in Biddeford, in Nashua and Dover and Manchester, N. H. I could give you the details here, but it is unnecessary. In Manchester every one of them was incorporated under Mr. Blaine's era of "free trade."

He pointed out to you here advantages to the surrounding country from building up Lewiston. Well, that is true. There is no doubt but what making Lewiston a

manufacturing city made a better market for your farmers and merchants. But was not every single person that was drawn here to become a patron of your merchants taken away from some other merchant where he came from? If making this a manufacturing city drew to it 10,000 people from other towns your merchants and farmers have 10,000 more people to furnish, but were there not 10,000 less for others to furnish? It is simply a change of location, and while it was a help to this locality it was an injury to some extent to the localities from which the people were drawn. So you see there are two sides to even that point in the argument, looking at it from a national standpoint.

HOW THE LUMBER TAX WORKS.

But, my friends, the strong point with protectionists generally is that it is all for the benefit of the laborer. Well, I want to show you how that is. I will illustrate this point by the article of lumber, which is certainly an article with which you are all acquainted, being one of Maine's leading interests.

Suppose I own a township of timberlands down in Aroostook County on the border of New Brunswick. There is no difference betwixt my timber and the timber on the other side. There is only an imaginary line between. Suppose I saw and market one million feet of spruce on my township every year. Very well. Now suppose you go over into New Brunswick and buy a million feet of sawed lumber and take it to the Boston market. The first thing you do you must go into the Boston Custom House and pay a tax of \$2 a thousand feet on it. You have got to ask \$2 a thousand more in the market for it have you not? That \$2 is just as much a part of the cost as the original purchase and you add it in fixing the price. That enables me to get \$2 more for mine. That is protection. The \$2 you pay goes into the government treasury. The \$2 additional on mine go into my pocket, and that is what makes me a protectionist, and that is

what makes me love the poor laboring man so well when it comes around election time and I want him to vote to continue the system.

But, they say, this \$2 extra goes to the men I employ. Does it? Not much. What benefit would protection be to me if I give this \$2 to the men I employ? I am not in the lumber business for charitable purposes, (laughter and applause.) I am in this business to make money, and do you suppose when I go to hire men to cut timber for me that I sit down and figure how much my lumber will bring in the market and how much my stumpage is worth and give them the difference? Not much. You would n't. I am not going to give a man \$20 a month when I can get another just as good for \$15. A man ought to be put under guardianship who would do it. I hire help where I can get it cheapest, and the wages are fixed not by the price of lumber, but by the price of labor. If labor is scarce wages are high ; if labor is plenty wages are low. I act accordingly ; so would you ; so would every man. Now, therefore, I say this \$2 a thousand does not go to the laboring man, it goes to the owner.

Well, they say it encourages us lumbermen, this extra pay; it encourages us and we carry on larger operations. Well, it is rather encouraging, I admit, to get a higher price for your lumber and bigger profits—but how is it with the other fellow who buys the lumber to build him a house? Don't it discourage him about as much as it encourages me? (loud applause.) When the poor laboring man, the mechanic, or the operative, contemplates building him a home for himself and family, and figures up the cost for that building, that \$2 a thousand enters into the computation and discourages him. (Applause.)

It is the same with the glass, the nails, the lime and paper, the oil, varnish, hardware and everything that enters into that dwelling. The cost of it is enhanced and the man that builds and occupies it pays the extra cost. A man builds a tenement house and rents it to these men, his rental is fixed upon this higher cost basis and the man

who rents the house pays an additional rent not only for this year but for every year that he occupies it. The owner of the timber land gets it; the men who build the houses or rent them pay for it.

And my friends, you will find it so with this legislation throughout—what one man gains another loses. You may set it down as an axiom true at all times that there is no possible way under heaven by which money can be legislated into the pockets of one class of men without legislating it out of the pockets of others.

WORKING THE PROTECTIVE RACKET AT BOTH ENDS.

Another fact in this connection: At least three-fourths of the men employed in these lumbering operations in Aroostook and Penobscot counties come across the line from the Provinces beyond. Many of them take their teams across, giving bonds at the custom-house for their return, work during the Winter, take their money and return home in the Spring; others remain to work driving logs down the streams and some work at sawing in the mills for the season.

Those timberland owners are shrewd fellows. They work this protection racket at both ends. They make every man who buys a thousand feet of lumber pay this tax on it under the claim that it is done to protect us from the products of cheap labor in the Provinces. After they have made you pay the tax for that purpose, they go over the line and get the cheap labor itself and bring it over to do the work for them. Thus they make money at both ends, and the poor American laborer loses at both ends. You are obliged to pay the taxes on every stick of lumber you buy, and then the cheap labor of the Provinces is brought in to work in the camp, upon the streams and in the saw-mills, and thus force wages down to their standard, so that the American laborer is obliged to work at the same rate or not work at all—and so he loses both ways, and yet it is all done in the interest of the poor laboring man!

MR. BLAINE'S OFFICIAL REPORT ON THE WAGE QUESTION.

There is a great deal said about high wages in this country in comparison with those of England. Mr. Blaine has a great deal to say about it. It is an undoubted fact that wages are higher in this country than in England, but it is not protection that causes it. Our country is newer. We have an immense extent of unoccupied lands open to settlement on the most favorable conditions. England is densely populated, no public domain open to the people, and operatives are more at the mercy of their employers, and the cost of living is less because their supplies are untaxed.

This difference in the wage rate is not, however, as great by far as the protectionists represent, and for proof I appeal from Mr. Blaine the politician to Mr. Blaine sworn public official.

Mr. Blaine was Secretary of State at one time under Garfield. He had in that capacity occasion to publish official documents. I hold one of them in my hand, a report to the House of Representative on the cotton trade of the world, signed James G. Blaine.

I want briefly to read from this official document Mr. Blaine's conclusions from a comparison of the English product per operative and wage rate in the cotton industry, furnished by Consul Shaw at Manchester, with the American cotton product per operative and wage rate in Massachusetts. After presenting a tabular array of the wage figures in both countries Mr. Blaine says :

"It thus appears that each American operative works up as much raw material as two British operatives"—mark you these are Mr. Blaine's words—"turns out \$1.50 worth of manufactures to the British operative's \$1.00 worth, and even in piece goods, where the superior quality and weight of the American goods are so marked, the American operative turned out 2.75 yards to 2.50 yards by the British operative."

Again in speaking of the relative wage rate in the

English and American cotton labor market he sums up as follows :

“The wages of spinners and weavers in Lancashire and in Massachusetts, according to the foregoing statement, were as follows :

“Spinners : English, \$7.20 to \$8.40 (master spinners running as high as \$12.00) ; American, \$7.07 to \$10.30.

“Weavers : English, \$3.84 to \$8.64, subject, at the date on which these figures were given, to a reduction of 10 per cent. ; American, \$4.82 to \$8.73.

“The average wage of employes in the Massachusetts mills is as follows, according to the official returns : Men, \$8.30 ; women, \$6.62 ; male children, \$3.11 ; female children, \$3.08. According to Consul Shaw’s report the average wages of the men employed in the Lancashire mills on the 1st of January, 1882, was about \$8 per week, subject to a reduction of 10 per cent. ; women from \$3.40 to \$4.30, subject to a reduction of 10 per cent.

“The hours of labor in the Lancashire mills are 56; in the Massachusetts mills 60 per week. The hours of labor in the other New England States, where the wages are less than in Massachusetts, are usually 66 to 69 per week.

“Undoubtedly the inequalities in the wages of English and American operatives are more than equalized by the greater efficiency of the latter and their longer hours of labor.”

Mr. Blaine does not tell you that, when he is talking on the stump. On the stump he tells you that wages are so low over there that if you let these Democrats have their way and cut down the taxes English cheap “pauper” labor will ruin you. Now only think ; after all the cheap talk made on this subject of the lower wages of England Mr. Blaine himself says, under his official oath as Secretary of State, that “the inequalities in the wages of English and American operatives are more than equalized by the greater efficiency of the latter and their longer hours of labor.” (Prolonged applause.)

SOLON CHASE'S CANNED CORN.

But protection, they cry, is always in the interest of the poor laboringman. I say always, but I note one exception among them. I notice Solon Chase made a speech at Brewer, night before last, and Uncle Solon was a little too honest for the average of them. In discussing this question he says: "I want protection on canned corn. I have ten acres of sweet corn and I want corn protected so I can get a bigger price for it." Uncle Solon has not got his story well learned. He should have said he wanted it for the benefit of his hired help. (Laughter and applause.) But he wants it for himself. That is the essence of the whole thing. It is simply a proposition that you and I and every person in this hall that consume canned corn shall be taxed by government in order to enhance the profits of Solon Chase and those like him. (Applause.) It is a proposition to tax the people to put the proceeds in the pockets of a favored class. These cotton and woolen and steel manufacturers and lumbermen are actuated by the same motive and desire that Solon Chase is, but they come up and say it is to help the poor laboringman, love for the poor laboringman! It is to put bigger profits in their pockets, and it is asking that this government, which is the common agent of us all, shall be used to take your money and mine to give to these favored classes of the community. And that is all there is to it.

PROPOSITION TO REALLY PROTECT LABOR.

Now I will tell you laboringmen how you can test the sincerity of the capitalists who profess such anxiety for protection of your interests. Agitate at once for the enactment of a law by Congress requiring employers to pay a tax of five dollars per month for each and every male person of twenty-one years of age, employed by them, who are not citizens of the United States, (loud applause,) unless such employes have filed the declaration and taken the oath required by law preliminary to becoming naturalized, or taken a solemn oath to be pre-

scribed, of their intention to become naturalized as soon as the requirements of law can be complied with, and given a satisfactory bond in the sum of one hundred dollars to carry such intention into effect, in good faith. (Applause.) Such taxes to be collected under proper regulations by the Internal Revenue Department. As that department is to be utilized for the taxation of bogus butter, why not for bogus labor? (Applause.)

While it is true that we collect more taxes now than we need, and I would greatly prefer a reduction and a reform in the tariff that would give us free raw materials and such discriminations as would enable us to sell our surplus manufacturers abroad and prevent the glutting of our own markets, if the present system is to be continued, under the pretense of protecting American labor, I can see no good reason why labor should not be given a real instead of mock protection. (Applause.)

Such a law would be in strict accord with the professed desire of protectionists and in harmony with their system of enhancing the price of their own productions, but I venture the prediction that they will be found promptly opposing it if the subject is agitated. That would afford protection against the flocking of cheap and disreputable laborers to our shores to force down wages to their own standard of living and then carry off their earnings to be expended in other lands. It would tend to cause a more general naturalization of those who come to this country with the honest intention of making it their permanent home. It might necessitate changes in our naturalization laws, perhaps the shortening of the time required before the foreign-born become citizens, all of which could be properly effected after due discussion and consideration. (Tremendous applause.)

You have had but one act ever passed for the protection of labor, the anti-Chinese law, and your republican candidate for Congress bitterly opposed it in his paper. Ask them if they want to protect labor as they profess, if they are willing to put a \$5 tax a month on the foreign-

born citizen who will not come up to these requirements, and see if they will accede to your demand.

American labor is suffering on this account in every department of life, in the hay fields, in the wheat fields, in the mines and the quarries, in the erection of buildings and the building of railroads. Why, they built a little narrow guage railroad into my native town, some thirteen miles of road, and they actually imported Italians and took them up there like chain gangs to perform that labor and build that road. (A voice: That's so.)

IMPORTED CHEAP LABOR.

Wherever you find these protectionists building railroads and canals you will find Italians and Bohemians of the basest sort brought here from the protected nations of Europe in gangs, employed to do this work, living upon what a decent American laborer would not look at, and they never become citizens; they never settle down, but when they have got the road built they depart for some other region just as locusts when they have eaten up every green thing swarm away to green fields and pastures new. And if they fail to get there they develop into able-bodied anarchists and turn like snakes to bite the hand that warmed them, and you have your 4th of May Chicago riots and the like all over the country and the protectionist contractors who imported them and their friends, shudder in horror over the scene and looking askance at the American laborer in whose name these villains do their work, murmur among themselves "beware the dangerous classes."

Now, laboring men, you must meet these issues; you must do something against these evils or you will go down to a level with that kind of labor.

AMERICAN SHIPPING.

Look at your ships. We have but very few of them left. Why in 1860 sixty-seven per cent. of the carrying trade between this country and foreign nations was done

in American bottoms. Americans felt proud that they not only had ability to produce on land, but of their ability to carry to and fro upon the ocean and see the stars and stripes floating on every sea in every part of the world. Now it has gone down to about 15 per cent. Now you have scarcely got an American ship. This protective system has driven your shipping from the seas, almost annihilated it, and will entirely if you have it long enough.

Go on board one of the few ships you have left to-day and you will find their sailors are mostly foreign-born, not citizens or intending to become citizens, in antagonism to the interest of American labor continually.

THE MUTUAL TICKLING PROCESS.

I was speaking of this tax on lumber awhile ago to a prominent Massachusetts protectionist. I pointed out the facts which he admitted at every step. Now, I said, why under heaven do our Massachusetts representatives vote to continue this tax on lumber? Massachusetts does n't produce any lumber but it consumes immense quantities. We are constantly paying taxes on it and get nothing in return. Why do our representatives vote for it? He replied, they think if they voted to take the tax off lumber, Maine and other States would vote to take it off cotton and woolen products. That is the key to the position. You scratch my back and I will tickle yours. It is a combination of interests. Massachusetts manufacturers want bigger profits and they want taxes on their products. Lumbermen down here want it on theirs ; the rice growers of Louisiana want it on theirs ; so do the sugar planters, so do the peanut growers, and so it goes. I will vote for a tariff on your product if you will vote for one on mine, and the poor people, the consumers, have to pay these taxes to enrich and sustain them.

CORNERS IN WHEAT AND LABOR.

You have heard about corners in wheat. When large owners in wheat purchase up a large stock and will not

sell it at less than such price they call it a corner in wheat and speculation in the necessities of life. What is this tariff system but a corner in Congress? The representatives of these manufacturers put up a corner through the force of law in Congress, combine and compel you and me and everybody to pay taxes upon that basis to carry out the corner.

Now, laboring men, show a disposition to form corners also. All your organizations are on the same basis of a corner on the market. You combine and put up the price of labor. You say, we fellows who furnish bone and muscle to carry on this work will combine together and they shall not have our labor unless they pay a reasonable price for it. Then there is an outcry. Here is a conspiracy they say, and they threaten to bring the power of the courts to bear to punish men for combining in the interest of labor. Yet these corners to force up the price of labor are as legitimate as those other corners are for them.

MR. BLAINE'S HOME FREE TRADE.

Mr. Blaine, the other day, spoke about the immense territory of this country over which free trade prevailed. Why, he said, no equal extent of territory on earth ever had such free trade as we have; that we have absolute free trade between all these states, a territory equal to the continent of Europe. It occurred to me, why should he not have credited some of this success and these savings bank deposits to this free trade among the states? Why is it not as legitimate to claim that our growth has been due to interstate free trade? Again, if it is legitimate and for the mutual interest of Maine and Massachusetts to have free trade between them, why would it not be equally for the mutual benefit of Maine and New Brunswick to have free trade?

The present tariff is upon a war basis. It averages 46 7-10 per cent. They would be unwilling to reduce it if it was 100. Human greed always cries for more, never less,

and they tell you now if you reduce this tariff it will destroy everything; it will paralyze business; it will close your factories and shut down your mills and throw your laboringmen out of employment. You find them predicting this at all elections and they go farther sometimes and threaten to shut down. If the democrats come in power they will close out, won't do business, would not attempt to. There was a case of that kind at Skowhegan. A man who supplied the village with milk went into one of those broom factories one morning during the Hancock campaign. The owners said to him if Hancock was elected there would be no more business in this country, and they would shut down their factory. "Well," said the milkman, "I hardly think I will close out my business entirely, but I'll be d—d if I will milk more than two teats of each cow." Now there was just as much sense in his proposition as in theirs. (Applause.)

A SAMPLE LOT OF TARIFF TAXES.

I want to give you some of the items of taxes that you are constantly paying as consumers. Blankets, 60 per cent. tax; carpets, 74 per cent.; window curtains, 45 per cent., wall paper, 25 per cent., window glass, 80 per cent., underclothing, 75 per cent., coats, pants and vests, 48 per cent., buttons, 25 per cent., thread, 90 per cent., hair brushes and combs, 40 per cent., pocket knives, 50 per cent., scissors, 45 per cent., mirrors, 60, soap, 31, stoves, 45, tea kettles, 53, crockery, 55, knives and forks, 45, sugar, 43, rice, 107 per cent. Think of it! When you buy a dollar's worth of rice the tax on it is \$1.07 in addition. How much money would that extra \$1.07 help you to put in the savings bank?

Overcoats 50 per cent., glassware 45 per cent., razors 45 per cent., salt mackerel, 25 per cent., castor oil, 102 per cent., (laughter). Ah! Doctor, there is nothing like high priced physic to protect the poor working man. (Loud laughter and applause.) It adds to his bank deposit. (Renewed laughter.)

PROTECTION AND FOREIGN MARKETS.

Another point. This protective system confines our sales to the home market. They tell you it shuts out foreign manufacturers from this market. I tell you it does not as long as protection protects, but it does shut out our products from other markets. I will show you briefly how.

Take lumber again. Suppose you go into New Brunswick and buy lumber and bring it over the line. You have to pay \$2 tax per thousand. I have the benefit that protection affords and get \$2 extra for my lumber. It does not hinder you from importing because you find the market \$2 higher, you pay the \$2 and get \$2 higher. But just turn round and buy it in this market and carry it over there, and see how you will fare. I say just as long as protection protects, as long as it carries the price up in the market to the extent of the tax, just so long it does not shut out importations at all. You will find by the statistics that the importations of dutiable goods into this country last year were twenty-eight per cent. per head for this people beyond what it was in 1860. With all their boasted success in shutting out importations it does not have that effect, for the reasons I have given you, and as the figures I have quoted prove.

When protection ceases to protect, that is to say, when a glutted market, over production, local competition or anything else carries prices down in this market below the protection line, why then I admit goods cannot be imported. Remember, merchandise never goes from a high market to a low one. The most rabid protectionist you could find would not be foolish enough to buy goods in a high market and sell them at a loss in a low one. So that, whenever, from any cause prices go down in this market importations drop off because it does not pay, and when you get low enough to overcome the protection, then goods will begin to move out of this market into foreign markets and not before. Therefore, I say the system

closes to us foreign markets for our taxed products. The whole system of protection is based on the idea of high prices in our own market.

To illustrate. A certain woolen factory in this congressional district in 1884 paid \$116,000 duties on the wool it consumed. It does not require a very massive brain to see it would be impossible to sell those woolen goods in competition with woolen goods made from free wool. It cannot be done. It is not done. It shuts us into the home market exclusively with our products.

DIFFERENCE IN BRITISH AND AMERICAN EXPORTS.

I want to give you some statistical facts on that point. In 1885, when duties on wool were 60 per cent., all the woolen goods sold out of this country amounted to \$775,463. Our sales were less than a cent and a half a head for our people! How was it with Great Britain? In 1882, the last year for which I was able to get statistics, Great Britain sold woolen goods enough to amount to \$2.66 per head for every man, woman and child in that kingdom. They supplied their home market just as we do and then sold besides \$2.66 per head where we sold a cent and a half a head. The difference was seventeen hundred and seventy per cent. in favor of the British! In flax, hemp, and jute, the whole exports from this country were \$1,314,140, per capita 2 cents. Great Britain sold \$54,295,670, per capita \$1.54, making a difference of 700 per cent.

Take cotton manufactures. Mark you we produce the cotton ourselves. We produced over \$200,000,000 of cotton last year. We have the cotton, the energy of a people such as no other country ever had, inventive genius, water power, machinery, everything necessary to success. The British do not raise cotton, but have to buy it from us or elsewhere. And yet they sold in 1882 cotton manufactures to the extent of \$11.21 for every man, woman, and child in Great Britain, while we sold but 23 cents worth per capita, and yet Mr. Blaine tells you in his official report that what little difference there is in the

wage rate is "more than equalized by the greater efficiency" and "longer hours of labor" on the part of our operatives.

AN UNPATRIOTIC AND COWARDLY IDEA.

Now I ask the manufacturers themselves if that is a healthy condition for this country? The idea that we are to be bound up and confined by this system of taxation so that we cannot get our products out into other markets is simply monstrous. I say that with the advantage we have, we ought to be able to compete with Great Britain not only in the manufacture of cotton goods but in supplying the world with them. Why this idea, this doctrine of the protectionists, that this country cannot compete with Great Britain in any of these fields of labor, is unpatriotic and cowardly. The idea that with such a country as this and such a people, with such facilities, such ingenuity, such energy, the idea that England, that little sea-girt isle, can come 3,000 miles and take our market and supply our people with products from cotton raised in our own land! I say it is not true, it is cowardly.

You see that Great Britain makes its profits largely off from the world. It supplies its own people and sells abroad and accumulates from the results. We make our profits off from each other and the result is that millionaires multiply on the one hand and tramps on the other. (Applause.)

THE PECUNIARY BIAS OF PROTECTION ADVOCATES.

Now, my friends, one word more and I have done. I want to add in conclusion that I have no interest in this matter beyond that of the humblest laborer before me. I have no pecuniary interest in it whatever, and so with the advocates of tariff reform generally. Most men on the other side have pecuniary interests—the manufacturers, all these protected interests have a money consideration behind them. Like Solon Chase they want protection that their profits may be increased. They have a money

bias in the matter. Why your representative to Congress in this district, is he not a stockholder in these corporations? Is he not a director or has he not some other official position in connection with some of these mills? Is not your senator, if not a stockholder and having a direct interest, is he not an attorney for these corporations? The advocates of this system are biased; they are at work for themselves, while on our side we have no such consideration. If you would reduce these taxes, if you would cut off this \$100,000,000 or reform this tariff it would not help me one cent more than others. I would just as quickly advocate protection, just as cheerfully as any man on earth if I believed it right. I advocate these reforms, therefore, not from personal, not from pecuniary considerations, but simply as a matter of duty, from what I believe to be right, and that justice may be done between man and man. (Prolonged applause.)

